

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

GEXCRYPTO CORP. (a/k/a GexCrypto Global
Trading Corp.) and EMILIANO S. RYN,

Defendant.

Case No. 2:23-cv-00191-JAD-BNW

ECF No. 3

**ORDER GRANTING MOTION TO APPROVE STIPULATED
CONSENT JUDGMENT AS TO DEFENDANT EMILIANO S. RYN**

The Securities and Exchange Commission having filed a Complaint and Defendant Emiliano S. Ryn (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph VII); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or

1 would operate as a fraud or deceit upon the purchaser.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
3 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
4 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's
5 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
6 participation with Defendant or with anyone described in (a).
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8 III.

9 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
10 is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C.
11 § 77e] by, directly or indirectly, in the absence of any applicable exemption:
12

13 (a) Unless a registration statement is in effect as to a security, making use of any
14 means or instruments of transportation or communication in interstate commerce
15 or of the mails to sell such security through the use or medium of any prospectus
16 or otherwise;
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18 (b) Unless a registration statement is in effect as to a security, carrying or causing to
19 be carried through the mails or in interstate commerce, by any means or
20 instruments of transportation, any such security for the purpose of sale or for
21 delivery after sale; or
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23 (c) Making use of any means or instruments of transportation or communication in
24 interstate commerce or of the mails to offer to sell or offer to buy through the use
25 or medium of any prospectus or otherwise any security, unless a registration
26 statement has been filed with the Commission as to such security, or while the
27 registration statement is the subject of a refusal order or stop order or (prior to the
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1 effective date of the registration statement) any public proceeding or examination
2 under Section 8 of the Securities Act [15 U.S.C. § 77h].

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
4 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
5 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's
6 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
7 participation with Defendant or with anyone described in (a).
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9 IV.
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11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section
12 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is permanently restrained and
13 enjoined from directly or indirectly, including, but not limited to, through any entity owned or
14 controlled by him, participating in the issuance, purchase, offer, or sale of any security, provided
15 however, that such injunction shall not prevent him from purchasing or selling securities for his
16 own personal account.
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18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
19 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
20 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's
21 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
22 participation with Defendant or with anyone described in (a).
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24 V.
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26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section
27 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and/or Section 20(e) of the Securities Act
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[15 U.S.C. § 77t(e)], Defendant is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant, jointly and severally with Defendant GexCrypto Corp., is liable for disgorgement of \$825,994.37 pursuant to Section 21(d)(7) of the Exchange Act [15 U.S.C. § 78u(d)(7)], representing net profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$187,567.87, and a civil penalty in the amount of \$1,000,000.00 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation by paying \$2,013,562.24 to the Securities and Exchange Commission within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofin.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

1 and shall be accompanied by a letter identifying the case title, civil action number, and name of
2 this Court; Emiliano S. Ryn as a defendant in this action; and specifying that payment is made
3 pursuant to this Final Judgment.

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5 Defendant shall simultaneously transmit photocopies of evidence of payment and case
6 identifying information to the Commission's counsel in this action. By making this payment,
7 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part
8 of the funds shall be returned to Defendant.

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10 The Commission may enforce the Court's judgment for disgorgement and prejudgment
11 interest by using all collection procedures authorized by law, including, but not limited to,
12 moving for civil contempt at any time after 30 days following entry of this Final Judgment.

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14 The Commission may enforce the Court's judgment for penalties by the use of all
15 collection procedures authorized by law, including the Federal Debt Collection Procedures Act,
16 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court orders
17 issued in this action. Defendant shall pay post judgment interest on any amounts due after 30
18 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall
19 hold the funds, together with any interest and income earned thereon (collectively, the "Fund"),
20 pending further order of the Court.

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22 The Commission may propose a plan to distribute the Fund subject to the Court's
23 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund
24 provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain
25 jurisdiction over the administration of any distribution of the Fund and the Fund may only be
26 disbursed pursuant to an Order of the Court.

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28 Regardless of whether any such Fair Fund distribution is made, amounts ordered to be

1 paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the
2 government for all purposes, including all tax purposes. To preserve the deterrent effect of the
3 civil penalty, Defendant shall not, after offset or reduction of any award of compensatory
4 damages in any Related Investor Action based on Defendant's payment of disgorgement in this
5 action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of such
6 compensatory damages award by the amount of any part of Defendant's payment of a civil
7 penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such
8 a Penalty Offset, Defendant shall, within 30 days after entry of a final order granting the Penalty
9 Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset
10 to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall
11 not be deemed an additional civil penalty and shall not be deemed to change the amount of the
12 civil penalty imposed in this Judgment. For purposes of this paragraph, a "Related Investor
13 Action" means a private damages action brought against Defendant by or on behalf of one or
14 more investors based on substantially the same facts as alleged in the Complaint in this action.

18 VII.

19 **BANKRUPTCY NONDISCHARGEABILITY**

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of
21 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the
22 allegations in the complaint are true and admitted by Defendant, and further, any debt for
23 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this
24 Final Judgment or any other judgment, order, consent order, decree or settlement agreement
25 entered in connection with this proceeding, is a debt for the violation by Defendant of the federal
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1 securities laws or any regulation or order issued under such laws, as set forth in Section
2 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

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4 VIII.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
6 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment ,
7 **and the motion to approve the stipulated consent judgment as to Ryn [ECF No. 3] is GRANTED.**

8 Dated: March 1, 2023

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11 UNITED STATES DISTRICT JUDGE
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